

# Strategic Plan: **Innovative Leadership for a Sustainable Energy Future**

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## **WSEO Mission Statement**

*The Washington State Energy Office serves the citizens of Washington by providing innovative leadership for a sustainable energy future that is environmentally and economically sound. The State Energy Strategy provides the framework for this leadership.*

## **Strategic Plan Summary**

This plan articulates WSEO's vision of the future as expressed in the mission statement. The document draws direction and context from extensive internal and external discussions as well as the recently completed State Energy Strategy, chartered by the Governor and Legislature. The plan describes WSEO's preferred roles, how WSEO resources should be applied to energy problems, and how best to measure progress toward goals. The plan is a general—rather than prescriptive—guide to our actions over the next five years.

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## Introduction

The 1990s are proving to be an era of rapid change for many institutions in the energy field, including government. The Washington State Energy Office is no exception to this trend. In response to changing conditions over the past four years, WSEO has expanded its role and expertise to include utility integrated resource planning, transportation demand management, and energy facility siting. Our current view is that the pace of change will increase in the coming years.

We face many changes. For example, fundamental changes in electricity markets are occurring as a result of passage of the National Energy Policy Act. The Bonneville Power Administration (BPA) is dramatically restructuring its roles and responsibilities. The public is demanding greater involvement in decision making and greater protection from energy-related environmental problems. Meanwhile, there is growing pressure on the state general fund, and voters are telling state government to do more with less. These trends indicate that WSEO must be more effective, more flexible, and more sharply focused in the years ahead.

## Goals and Strategies

### *1. Provide policy leadership and counsel on current and emerging energy issues that affect the state and region.*

- ◆ Focus attention on energy issues and their critical link to the health of our environment and economy.
- ◆ Influence and support policies that lead to successful implementation of the Northwest Power Plan.
- ◆ Support utility-related regulatory policies that promote a sustainable energy future.
- ◆ Support the development of transportation policies that reduce energy use and improve the environment.
- ◆ Perform unbiased evaluations of current and future energy uses, resources and markets.
- ◆ Develop and recommend energy policy options for the state that are in the long-term best interest of the citizens.

### *2. Motivate people through information and education to make energy choices that build a sustainable future.*

- ◆ Expand efforts to develop innovative and effective ways to communicate with public and professional audiences.
- ◆ Enhance internal capabilities to deliver high-quality, unbiased, understandable information on energy policies, technologies and practices.
- ◆ Serve as an essential resource to the media on energy-related topics.
- ◆ Serve as a clearinghouse for information on the most promising energy technologies, techniques and practices.



**3. Collaboratively identify, demonstrate and promote promising energy technologies, techniques and practices.**

- ◆ Identify and prioritize the most promising technologies, techniques and practices for:
  - ◆ Managing energy cost and use;
  - ◆ Enhancing use of renewables;
  - ◆ Reducing barriers to developing and siting environmentally sound energy projects;
  - ◆ Improving the energy efficiency of the transportation system.
- ◆ Identify effective methods to demonstrate, evaluate and transfer these technologies, techniques and practices for long-term implementation.
- ◆ Lead by example. Do what we ask others to do.

**4. Be an organization that values its employees and supports them in fulfilling the agency's mission and goals.**

- ◆ Provide an organizational structure and tools that help achieve the agency mission and goals.
- ◆ Continuously identify and respond to internal and external customer requirements.
- ◆ Create a shared understanding of WSEO's decision making processes and how employees can contribute to them.
- ◆ Enhance opportunities for employee development.
- ◆ Create an organizational culture that welcomes and supports people of diverse backgrounds, talents, viewpoints and experiences, and values their contributions.

## **Roles**

WSEO will concentrate its efforts in three areas: policy leadership, information and education and assisting with technology transfer. How we do these activities will be governed by four principles.

*Take a leadership role.* Leadership means identifying the critical energy issues facing Washington and the region, bringing together the parties that can resolve them, and working aggressively to identify and implement solutions. An essential part of being a leader and meeting our mission is taking the long-term view of how to best meet the state's energy needs.

*Steer primarily, row as needed.* WSEO is not primarily a regulatory agency. We can be most effective by providing guidance, ensuring consistency and coordination, monitoring progress, and providing feedback. We also must be effective coaches. This means developing tools, demonstrating new technologies and practices, and providing education and training.

*Work with others, leverage our results.* The task of moving Washington toward a sustainable energy future is well beyond the capabilities of WSEO alone. It is also beyond the capabilities of state government in general, which will be working with fewer resources in the next few years. We must aggressively seek partnerships with utilities, citizen groups, industries and other government agencies if we are to reach our goals.

*Find market niches.* Our job is to identify areas where programs and services are not provided, determine the best way to meet the need, and hand off work where appropriate. In choosing niches, we will look for opportunities where our unique abilities as a state agency add value.



## Looking Forward: Monitoring Progress

Our mission statement, goals, and strategies imply a vision of the future. We want the decisions our generation makes to provide future generations with a healthy environment, a sound economy and a worthwhile quality of life. Cost-effective improvements in energy efficiency and renewables, including our existing hydropower system, are a major component of a sustainable energy future. Currently, Washington relies heavily on fossil fuels, primarily oil and natural gas, which will continue to be an important focus of attention. We see a special role for WSEO in fostering the development of the state's less heavily used renewable energy technologies—biomass and wind, for example. Our focus is primarily on Washington State, but we will be actively involved in energy issues regionally, nationally and even internationally when the energy interests of the residents of the state of Washington are at stake.

WSEO will track statewide energy trends and our own progress toward key milestones to understand where we need to target our efforts.

### Statewide Measures

WSEO is one of many players that will have a role in moving the state toward a sustainable energy future. It is an essential part of WSEO's leadership responsibility to track the overall direction of energy use and production in the state. The following indicators provide a reference point for assessing statewide progress toward sustainability:

- ◆ An increase in the percentage of new energy demand, in all sectors, that is met by efficiency and renewable resources. This information will be compiled from existing

sources such as the Power Council and utility Integrated Resource Plans.

- ◆ A decline in energy use per unit of economic activity in the residential, commercial, transportation and industrial sectors. As part of the measurement plan called for in the State Energy Strategy, WSEO is developing a set of performance indices for each of these sectors. These indices will rely primarily on data WSEO already collects for the *Washington State Energy Use Profile* and they will be sensitive to economic conditions and fuel substitutions.
- ◆ A decline in the projected rate of growth of greenhouse gas emissions in the state. This will be estimated by WSEO.
- ◆ Successful implementation of the Northwest Power Plan.

### WSEO Success Indicators

To track progress, we have established success indicators for key goals. We will update these indicators every six months, unless noted otherwise below.

#### *Goal 1: Policy Leadership Indicators*

- ◆ WSEO is recognized by state and regional government leaders and the energy community as an active and effective participant in resolving state and regional energy issues. A qualitative assessment of WSEO's effectiveness will be done annually.
- ◆ Concerns related to energy efficiency are routinely incorporated in transportation and land-use planning. A qualitative assessment will be conducted annually.



- ◆ Substantial progress is made in implementing priority recommendations in the State Energy Strategy. A system to track actions on the State Energy Strategy's recommendations will be developed.

### *Goal 2: Information and Education Indicators*

- ◆ More of the general public and our state leaders demonstrate awareness of and support for State Energy Strategy goals; understand the links between energy, environment and economy; and support investments in renewables and energy efficiency. We will seek to leverage the resources of other state agencies and public or private organizations to commission citizen and business surveys.
- ◆ Energy issues are integrated into community-based environmental education, and are included in the curricula for K-12 schools, vocational training programs, colleges and universities. This will be assessed qualitatively.
- ◆ Effective training and information are available to support acquisition of energy efficiency and renewable resources. This will be assessed qualitatively.

### *Goal 3: Technology Transfer Indicators*

- ◆ A sustainable and effective institutional framework is in place to transfer energy-efficient technologies and practices to the private and public sectors in Washington. This will be assessed qualitatively.
- ◆ Energy costs as a proportion of state government's operating expenses are declining.
- ◆ Market penetration of targeted efficiency and renewable technologies is increasing.

This will be the yardstick for assessing the effectiveness of WSEO's technology transfer efforts.

- ◆ Washington's citizens, industries and utilities attract national and regional attention for excellence in implementing efficiency and renewable technologies, techniques and practices.

### *Goal 4: Staff Support Indicators*

- ◆ WSEO staff rate key operational areas including internal communications, decision making and client service as effective. Staff will be surveyed at least once a year.
- ◆ Continuous progress is made in achieving the goals of WSEO's Affirmative Action Plan.

## **Looking Back: How We Got Here**

WSEO's legislative mandate and the State Energy Strategy provide two important reference points for this strategic plan. WSEO's enabling legislation (RCW 43.21F) authorizes several broad roles including:

- ◆ Policy analysis
- ◆ Collecting and distributing energy information and research
- ◆ Support for increasing cost-effective energy conservation
- ◆ Support for developing cost-effective energy resources
- ◆ Energy emergency planning



More recent legislation has added new tasks that include:

- ◆ Coordinating and monitoring implementation of the Commute Trip Reduction law
- ◆ Assisting state agencies and schools to develop and operate energy-efficient facilities
- ◆ Hydropower planning
- ◆ Support for clean fuel vehicles
- ◆ Oversight and coordination of the energy facility siting process in Washington
- ◆ Technical consultation on and review of the State Energy Code.

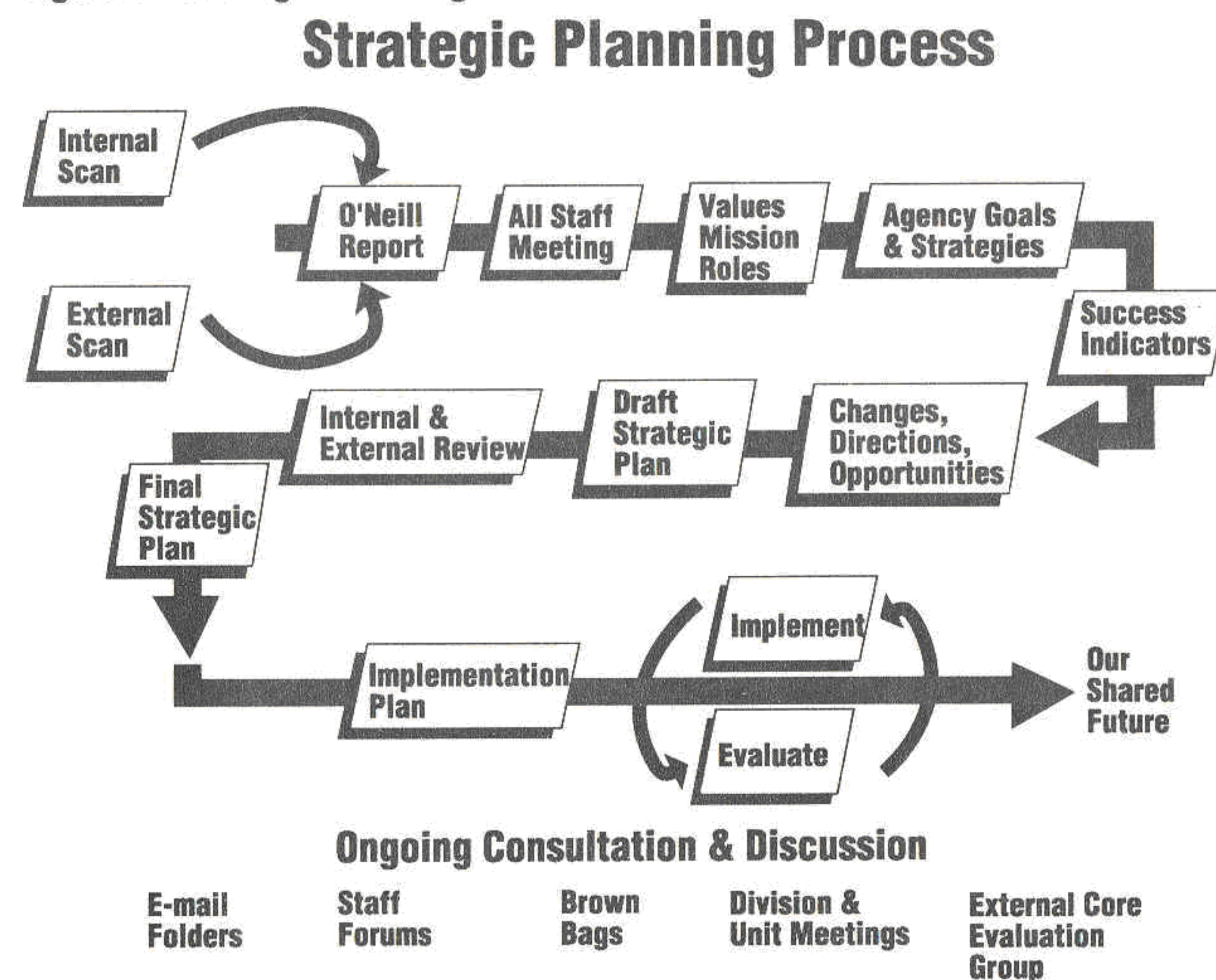
## Washington's Energy Strategy

Most recently, state legislation called on WSEO to coordinate development of a State Energy Strategy. A broad committee representing citizens, utilities, government and industry prepared the strategy and presented it to the Legislature in January 1993. *Washington's Energy Strategy: An Invitation to Action* contains more than 70 recommendations to improve transportation system efficiency; enhance energy efficiency in buildings, farms and industry; reduce environmental impacts; and rationalize energy facility siting. The committee estimated that implementing all the measures recommended in the Strategy could reduce the state's per capita energy consumption in all sectors by up to 20 percent while keeping increases in energy costs below the rate of inflation. The committee also recommended that WSEO take the lead role in ensuring that the provisions of this strategy are implemented.

## Developing WSEO's Strategic Plan

The strategic plan for the Washington State Energy Office resulted from a six-month effort that began in May 1993. The initial step was an independent assessment of WSEO's internal and external operating environment conducted by O'Neill and Company. The assessment included interviews with over 40 WSEO clients and funders, focus groups, and surveys and interviews with WSEO staff. Using this information as a springboard, WSEO's management team met throughout the summer and early fall to develop a new mission statement, goals, strategies and indicators to assess whether goals are being achieved. The steps in the planning process are outlined in Figure 1.

Figure 1: Strategic Planning Process





The strategic planning process included extensive staff involvement. Staff had opportunities to participate in all-staff meetings, electronic mail forums, small group discussions and brown bag lunches. To gain an outside perspective, a team of managers from energy organizations that had completed their own strategic planning efforts provided advice during the plan's development.

The ideas and comments generated by WSEO staff and outside advisors were crucial in shaping the plan. We would like to thank everyone who took the time to help the Washington State Energy Office clarify its mission and goals.